

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Global IP Operations :
Application for a :
Certificate of :
Interexchange Service :
Authority to :
Operate as a Reseller of : Docket No. 02-0788
Telecommunications Services :
Within the State of Illinois :

PREFILED DIRECT TESTIMONY
OF
SCOTT KOTRCH

1. Q. Please state your name and business address.
A. Scott Kotrch, 18151 Fruitport Road, Spring Lake,
Michigan 49456.
2. Q. By whom are you employed, and what is your position?
A. I am the CEO of Global IP Operations.
3. Q. Please describe your management experience.
A. My management experience, as well as the other key
members of Global IP Operations's management team is
set forth on Attachment C to our application.
4. Q. What is the purpose of your testimony?
A. The purpose of my testimony is to describe Global IP
Operations's business and to demonstrate Global IP
Operations's financial, technical and managerial
ability to provide high quality, competitively
priced, telecommunications services, and to describe

how the company will provide its services to customers within the State of Illinois.

5. Q. Please describe Global IP Operations's business.

A. Global IP Operations is a reseller of interexchange telecommunications services, and is requesting authority to provide such services from points of origin within the State of Illinois to points of destination within the State of Illinois. Global IP Operations intends to provide interexchange services, such as outbound 1+ and 1010XXX dialing, toll-free service, postpaid calling cards, prepaid calling cards, and directory assistance. Global IP Operations intends to market its telecommunications service primarily to small to mid-sized business customers. Global IP Operations's prices for long distance service will be competitive with AT&T Communications of Illinois, Inc.'s prices.

6. Q. In what state is Global IP Operations organized?

A. Michigan. A copy of Global IP Operations's Articles of Incorporation is provided in Attachment B to our application.

7. Q. Is Global IP Operations certified to do business in Illinois?

A. Yes. A copy of Global IP Operations's qualification documents from the Secretary of state

is provided in Attachment B to our application.

8. Q. Describe Global IP Operations's financial ability to provide the proposed services.

A. Copies of Global IP Operations's Balance Sheet as of July 31, 2002 and the Profit and Loss Statement from January through July 2002 are provided as Attachment D to our application.

9. Q. Who are the officers of Global Telecommunications Corporation?

A. The current officers of Global IP Operations are as follows:

Scott Kotrch CEO

Jodi Kotrch Secretary/Treasurer

10. Q. Describe Global IP Operations's management team.

A. Global IP Operations's management team is described on Attachment C to our application. As shown, our management team has many years' experience in the telecommunications industry.

11. Q. In your opinion, does Global IP Operations have the financial and managerial resources necessary to provide the proposed telecommunications services in the State of Illinois?

A. Yes. In my opinion, Global IP Operations has the necessary financial and managerial resources to provide the proposed telecommunications services in

the State of Illinois.

12. Q. Does Global IP Operations intend to file a tariff in Illinois?

A. Yes. Global IP Operations will file a tariff upon a grant of certification by the Illinois Commerce Commission.

13. Q. Would you describe the configuration of Global IP Operations's system and equipment.

A. Global IP Operations will be a pure switchless reseller utilizing the equipment of and the service provided by a facilities based carrier. Originating calls from a customer are carried by the local exchange telephone company (LEC) to the LEC's end office or access tandem serving that customer. The LEC routes the calls to the underlying carrier for transmission. The Company does not intend to install facilities in the State of Illinois.

14. Q. When dialing out on a phone serviced by Global IP Operations, what number(s) does the end user dial in order to access Global IP Operations?

A. The end user will dial 1 + or 101XXXX + area code and number.

15. Q. How is the end user billed?

A. For resold long distance telephone services, the end users will be billed directly by the company, which

will utilize "real-time" completed call detail information from our underlying carriers.

16. Q. In your opinion, does Global IP Operations have the technical ability and resources necessary to provide the proposed telecommunications services to customers in the State of Illinois?

A. Yes. In my opinion, Global IP Operations has the necessary technical ability and resources to provide telecommunications service to customers within the State of Illinois.

17. Q. Are you familiar with the term slamming, and if so, what will your company do to prevent slamming?

A. Yes, I am familiar with the term and the meaning of slamming. Our company will take all necessary measures in order to prevent slamming, including attempting to get a signed letter of agency from all presubscribed customers prior to commencing service, and all marketing will be done in accordance with all applicable state and federal regulations.

18. Q. Are there any pending complaints against Global IP Operations in any states where it is providing telecommunications services?

A. No.

19. Q. Is the company currently authorized to provide

service in any other states.

A. Yes, the company is currently authorized to provide service in Massachusetts, Michigan and Texas. No such applications have been denied.

20. Q. Please describe what services you intend to provide in the State of Illinois?

A. We intend to provide 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound service, travel cards, prepaid calling cards, and directory assistance. We do not intend to provide operator services.

21. Q. Will Global IP Operations have any employees located in Illinois?

A. No.

22. Q. Does the company wish to keep its books and records at its principal place of business in Michigan?

A. Yes.

23. Q. Does this conclude your testimony?

A. Yes.

State of Michigan

County of Ottawa

AFFIDAVIT

I, Scott Kotrch, first being duly sworn upon oath depose and say that I am the CEO of Global IP Operations, the Applicant, and that I have read the above and foregoing prefiled testimony by me subscribed and know the contents thereof, which testimony was filed in support of Global IP Operations's Application for a Certificate of Interexchange Service Authority to Operate as a Reseller of Telecommunications Services within the State of Illinois; that said contents are true in substance and in fact, except as to matters stated upon information and belief, and as to those, I believe the same to be true.

Scott Kotrch
CEO

Sworn to and subscribed before me
this ____ day of _____, 2002.

Notary Public

My Commission Expires: